

**SUPPLEMENTAL
ORIGINAL**

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL
APPROVING AN ADJUSTMENT IN SOLID WASTE COLLECTION RATES
AND APPROVING THE ADDITION OF A RECYCLEBANK REGULATORY
FEE FOR THE PURPOSE OF INCREASING RATE OF WASTE DIVERSION**

WHEREAS, The City of Morgan Hill has approved a franchise agreement with South Valley Disposal and Recycling that establishes a rate setting methodology; and

WHEREAS, South Valley Disposal and Recycling has submitted an application for a rate adjustment that substantially complies with the methodology in the Agreement; and

WHEREAS, the cost of living, as indicated by the consumer price index, has increased during the past year causing an increase in the cost of providing service; and

WHEREAS, required contributions to landfill-related trust funds have remained low; and

WHEREAS, South Valley Disposal and Recycling has agreed to provide an educational insert in their next garbage billing explaining the rate adjustment process; and

WHEREAS, the City of Morgan is legally mandated to meet waste diversion goals under AB939 through recycling programs among other activities, which goals are likely to increase and become more stringent in the near future; and

WHEREAS, recent garbage sort examinations of residential waste originating from Morgan Hill show that almost 50% of the garbage disposed could have been recycled, indicating that a program to increase recycling rates is desirable and needed; and

WHEREAS, nearby communities have found that economic incentive and other regulatory programs can and have resulted in significant increase in recycling rates; and

WHEREAS, both city staff and a citizen advisory committee have studied and recommend that the City establishes an economic incentive and regulatory program known as RecycleBank; and

WHEREAS, implementing the RecycleBank program will incur additional incentive, regulatory and administrative costs, though the City expects that the value of incentives that will be offered through the RecycleBank program will substantially exceed the costs; and

WHEREAS, South Valley Disposal and Recycling has indicated that it will integrate the RecycleBank program into its waste collection and recycling services;

WHEREAS, the regulatory fee necessary for implementing the RecycleBank program is calculated to be ninety-six cents (\$.96) per residential customer.

WHEREAS, the authorization of the rate adjustment pursuant to the franchise agreement and of

an regulatory fee for the purpose of implementing an incentive and regulatory program to increase the rate of recycling known as the RecycleBank program is exempt from the California Environmental Quality Act under CEQA Guideline Section 15273 (Rates, Tolls, Fares and Charges) and Section 15308 (Actions by Regulatory Agencies for Protection of the Environment)

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Morgan Hill authorizes South Valley Disposal and Recycling to adjust their rates pursuant to its application for rate adjustment under the franchise agreement up to the maximum levels listed on the attached rate schedule.

BE IT FURTHER RESOLVED that the City Council of the City of Morgan Hill authorizes South Valley Disposal and Recycling to add an additional regulatory fee for the purpose of implementing an incentive and regulatory program to increase the rate of recycling known as the RecycleBank program up to a maximum of ninety-six cents (\$.96) per month on each residential customer serviced by South Valley Disposal and Recycling

PASSED AND ADOPTED by the City Council of Morgan Hill at a Regular Meeting held on the 6th day of May, 2009 by the following vote.

AYES: **COUNCIL MEMBERS:**
NOES: **COUNCIL MEMBERS:**
ABSENT: **COUNCIL MEMBER:**
ABSTAIN: **COUNCIL MEMBERS:**

CERTIFICATION

I, **IRMA TORREZ, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA**, do hereby certify that the foregoing is a true and correct copy of Resolution No. adopted by the City Council at the Regular Meeting on May 6, 2009.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

IRMA TORREZ, City Clerk

AGENDA BUDGET SCORECARD

FISCAL 2008/09

Adjustment #:

013

FUND:

DEPARTMENT:

OBJECT

PROJECT NUMBER:

317 RDA Fund
 8055 BAHS CIP
 86360 CONSTRUCTION
 000000 ^^SUPPLIES & SERVICES^^

AGENDA DATE:

AGENDA ITEM TITLE:

05/06/09
 Third Street Promenade

	07/01/08 BEGINNING FUND BALANCE	ESTIMATED REVENUES	APPROPRI- ATIONS	06/30/09 ENDING FUND BALANCE
ORIGINAL BUDGET	93,961,054.00	22,833,523.00	45,634,792.64	71,159,784.36
CUMULATIVE REVISIONS PRIOR TO RECOMMENDED ACTION	-	-	63,000.00	(63,000.00)
RECOMMENDED ACTION	-	-	410,000.00	(410,000.00)
RESULT OF RECOMMENDED ACTION	<u>93,961,054.00</u>	<u>22,833,523.00</u>	<u>46,107,792.64</u>	<u>70,686,784.36</u>